

2025 M STREET, N.W.
WASHINGTON, D.C. 20506

October 15, 1973

13/10-73-1184

Carling
3 hours 12:40
930
19 November

Mr. William J. Colby
Director of Central Intelligence
Headquarters, CIA
McLean, Virginia 22101

Dear Bill:

As Congressman Zablocki and Dean Wilcox indicated in their recent conversation with you, the Commission is looking forward to meeting with you in November. In preparing for the meeting, the Commission believes it would be especially useful to have a statement setting forth the views of the intelligence community which the members can study in advance and thus make the discussion more profitable. We hope that you will be able to assemble such a statement by the first week in November to permit its distribution to Commission members for the meeting on November 19.

To be most helpful, the statement should address all of the major elements of the national intelligence effort in support of the conduct of foreign policy. For this purpose, it is assumed -- and the Commission would like confirmation or correction of the assumption -- that this effort involves the political, economic, sociological, scientific and military affairs of foreign states, organizations and individuals and that it consists essentially of three principal elements:

- (a) the collection, evaluation and dissemination of information from the following sources:
 - open published materials
 - overt reporting
 - clandestine reporting
 - communications and electronic penetration
 - advanced technological systems
- (b) the preparation through research and analysis, and the dissemination, of studies, reports and estimates
- (c) covert action in support of policy decisions

For each of these elements, the Commission requests an outline of the present organization and procedures particularly in

respect to coordination among agencies, an identification of the principal obstacles to improved performance, and recommendations for appropriate action.

We hope the statement, in addressing the foregoing matters, will touch upon the following questions in addition to any others which you consider to be of importance:

- (1) Authority. Has the National Security Act of 1947 proved to be sufficiently sound as a basic authority for the Director of Central Intelligence to fulfill his role both with respect to the coordination of intelligence for national security and for the management of the Central Intelligence Agency? In particular,
 - a. what are the practical effects of subordination to the National Security Council rather than directly to the President or a department of the government? Should the system be altered?
 - b. can the responsibilities "to correlate and evaluate intelligence relating to the national security" be adequately delineated from the responsibilities of departments and other agencies "to collect, evaluate, correlate and disseminate departmental intelligence"? (Section 102(d)(3))
 - c. has the responsibility "to protect intelligence sources" proved workable and useful? (Section 102(d)(3))
 - d. is the mandate to perform "such additional services of common concern" (Section 102(d)(4)) adequate to the needs of the intelligence community and the government as a whole? Is the mandate to perform "such other functions and duties" (Section 102(d)(5)) too broad and open-ended?
 - e. has the authority to inspect intelligence of the departments and agencies (Section 102(e)) proved adequate and useful?

- (2) Requirements. Who are the principal users of intelligence in support of the conduct of foreign policy? What is the present organization and procedure for the preparation and updating of their requirements to guide the intelligence effort? Are such requirements adequate and what recommendations for improvement are suggested? How are requirements handled in crisis situations, and how can that process be improved?
- (3) Performance and Resources. In the fulfillment of these requirements is the most effective and efficient use made of the resources of the intelligence community? What is the basis for arriving at the optimum level of such resources and their distribution within the community in order to give the most effective support? What resource requirements are anticipated for the future?
- (4) Evaluation. How effective is the method of evaluating the performance of the intelligence effort in fulfilling the requirements in support of the conduct of foreign policy? What changes are recommended in this regard?
- (5) Other Intelligence Activities. What is the relationship of intelligence activities in support of military-tactical, counterintelligence, or other purposes to the intelligence activities in support of foreign policy?
- (6) Special Programs. What is the institutional mechanism for coordinating cryptological programs among the several agencies? For managing the advanced technological collection programs? How does this tie in with other government programs using similarly advanced technological systems? Is there a way to economize in this field and perhaps even produce a more effective government-wide effort?
- (7) Reports and Estimates. What is the need of the government for coordinated reports and estimates? How are such reports and estimates now produced?

Mr. William J. Colby

Page 4

What means are employed to assure that the analyses are forthright, objective, useful to policy makers at all levels of the government, and as free as possible of institutional biases? Should the research and analytical functions be handled in agencies other than those responsible for collection and operations? For policy formulation and implementation?

- (8) Emerging Needs. How is the mission of the intelligence community changing in the 1970s? What steps are being taken to adapt the intelligence effort to new demands for support in such fields as international trade, energy matters, the environment, and narcotics control?
- (9) Oversight and Accountability. What are the institutional controls through which the Executive Branch and Congress oversee activities of the intelligence community? Are they effective in making the intelligence community realistically responsive to government authorities? Does the public have a right to be better informed about the intelligence business; what improvements should be made in the process of accountability of intelligence activities to the public?
- (10) Controls. In respect to the activities and operations of intelligence which may impinge upon the conduct of foreign policy or in respect to operations designed to support specific policies, what is the system of guidance and control and is it fully adequate? What is done to assure that approving officials are fully aware of the possible consequences of a given action? What improvements in the system are recommended?
- (11) Personnel. Are the personnel procedures for CIA and other agencies in the intelligence community soundly based to recruit and sustain the professional corps necessary for the best intelligence support of the conduct of foreign policy? What steps are being taken throughout the community to mitigate the adverse effects of compartmentalization arising from security requirements in order to achieve greater cross-fertilization of ideas and personnel?

- (12) Budgets. To what extent does the DCI have the authority to determine or otherwise oversee the budget and manpower needs of the various agencies in the intelligence community? Should he have greater authority in this regard? Are the present budget resources of the several components of the intelligence community adequate, excessive or insufficient for their contributions to the intelligence effort in support of the conduct of foreign policy?
- (13) Overseas Establishment. What are the problems of control, coordination, and communications in overseas establishments as they pertain to intelligence? How can these establishments be made more effective and efficient?

The Commission is aware that a comprehensive response to these questions could lead to a most exhaustive study and a very lengthy report. We are hopeful, however, that while giving full attention to the important implications of the questions, you can in your report identify and emphasize the most important elements in our inquiry.

A copy of this letter is going to the Secretary of State, the Secretary of Defense and the President's Special Assistant for National Security Affairs, as members of the National Security Council, with the request that they offer whatever comments they can on the foregoing questions to assist the Commission in its study.

The Commission is most appreciative of your personal assistance and that of other components of the intelligence community in the fulfillment of our tasks.

Cordially yours,



Robert D. Murphy,
Chairman

cc: The Secretary of State
The Secretary of Defense
The President's Special Assistant
for National Security Affairs

The "Murphy Commission"

1. The Commission on the Organization of the Government for the Conduct of Foreign Policy receives its authority from the Foreign Relations Authorization Act of 1972 (PL 92-392 July 13, 1972). It is a joint Presidential-Congressional Commission (membership at Tab A).

2. The Commission is charged to submit to the Congress and the President findings and recommendations to provide a more effective system for the formulation and implementation of the Nation's foreign policy. The Commission is to study and investigate the organization, methods of operation, and powers of all departments, agencies, independent establishments, and instrumentalities of the government which participate in the formulation and implementation of US foreign policy.

3. The Commission is authorized to hold hearings, subpoena witnesses and secure information directly from any executive department or agency. It may make recommendations with respect to the reorganization of the departments, the achievement of better executive-legislative co-ordination, the improvement of procedures, and the abolition of services, activities and functions not necessary to the efficient conduct of foreign policy.

4. In its "Tentative Program" the Commission said: "In anticipation of their appearances before the Commission, and to assist in the exploration of the subject, departments, agencies, and experts will be asked to submit reports addressing important questions into which the Commission will want to delve."

5. The original plan was to conduct hearings on the Intelligence Community in February 1974, but that date has been changed to 19 November 1973. This is only a small part of the Commission's entire program. My source tells me that the State Department and its subsidiaries are the subject of much greater interest. Indeed, on 15 and 16 October the Commission took testimony from USIA, AID, and the Peace Corps. Following the DCI, but not in this order, will be the NSC, OMB and the White House, Defense (17 December), State (when Kissinger can make it), the Congressional process, and so forth. There have already been some preliminary hearings with State.

6. The Staff of the Commission is arranged as follows:

- a. State - Bill Bacchus
- b. Defense - Paul Schratz (Capt, USN, Ret.)
- c. Congress - Roger Majak
- d. Intelligence - Tom Reckford
- e. Asst. General Counsel - Alan Rudlin
- f. Staff members at large - Margie Vanderhye and Bill Carter (son of Ambassador Beverley Carter - Tanzania).

STAT

7. The major interest in the Intelligence Community is to determine how it serves the policymaker. To do this the Commission will examine organization, procedures, relationships, and authorities. It is not yet clear how many witnesses will be called from the Intelligence Community.

8. When the law was written, the Agency managed to insert in the House version language which gave the DCI the right to protect sources and methods. OLC is digging this out for me. It appears, however, that on most grounds the Commission has all of the authority it needs to ask questions and expect good answers.

STAT

Attachment



Commission Members

The Commission is composed of 12 members; four each appointed by the President of the Senate, the Speaker of the Senate, the Speaker of the House, and the President. The members are:

President	THE HONORABLE ROBERT D. MURPHY - <u>Chairman</u> Corning Glass International New York, New York
Senate	THE HONORABLE JAMES B. PEARSON - <u>Vice Chairman</u> United States Senate
President	DR. DAVID M. ABSHIRE Chairman, Center of Strategic & International Studies, Georgetown University
President	MRS. ANNE ARMSTRONG Counsellor to the President White House
President	THE HONORABLE WILLIAM J. CASEY Under Secretary for Economic Affairs Department of State
Senate	MRS. CHARLES W. ENGLEHARD, JR. Far Hills, New Jersey
House	MR. AREND D. LUBBERS President, Grand Valley State College Allendale, Michigan
Senate	MR. FRANK C. P. McGLINN Executive Vice President Fidelity Bank Philadelphia, Pennsylvania

House THE HONORABLE WILLIAM S. MAILLIARD
House of Representatives

Senate THE HONORABLE MIKE MANSFIELD
United States Senate

House DR. STANLEY P. WAGNER
President, East Central State College
Ada, Oklahoma

House THE HONORABLE CLEMENT J. ZABLOCKI
House of Representatives

COMMISSION STAFF

FRANCIS O. WILCOX - Executive Director
of the Commission

FISHER HOWE - Deputy Executive Director

WILLIAM B. SPONG, JR. - General Counsel
to the Commission